

HHS Privacy Impact Assessment (PIA)

Date of this Submission (MM/DD/YYYY): **11/18/2003**

HHS Agency (OPDIV): **CMS**

Title of System or Information Collection: **Medicaid & State Children's Health Insurance Program
Medicaid Statistical Information System (MSIS)**

Is this System or Information Collection new or is an existing one being modified? **Existing**

Identifying Numbers (Use N/A, where appropriate)

Unique Project Identifier Number: **CMS-R-0284**

System of Records Number: **09-70-6001**

OMB Information Collection Approval Number and Expiration Date: **OMB NO.: 0938-0345, Expiration
Date: 07/31/2006**

Other Identifying Number(s): **N/A**

Description

1. Provide an overview of the system or collection and indicate the legislation authorizing this activity.

The MSIS is a system of records to establish an accurate, current, and comprehensive database containing standardized eligibility, enrollment, and paid claims data elements of Medicaid eligibles. States are required to report to CMS under section 1903r of the Social Security Act (as amended by §4753 of the Balanced Budget Act of 1997).

2. Describe the information the agency will collect and how the agency will use the collected information. Explain how the data collected are the minimum necessary to accomplish the purpose for this effort.

CMS obtains the MSIS identifying information from state Medicaid agencies, through extracts from the Medicaid Management Information Systems maintained by the individual states. These extracts contain the minimum required data elements necessary to support administration of the Medicaid program at the federal level, Medicaid-related research of policy issues, quality and effectiveness of care, and to combat fraud. These extracts are submitted on a quarterly basis in the form of magnetic tape/cartridges to the CMS tape library where they are copied and protected under the security safeguards in place at the CMS Data Center. States submit 5 quarterly extract files 1) enrollment, 2) inpatient, 3) long term care, 4) prescription drugs, and 5) other claims. The original State submitted tapes/cartridges are then returned to the person designated by the State as responsible for the physical security of these files.

3. Explain why the information is being collected.

MSIS data are used to support administration of the Medicaid program at the federal level, Medicaid-related research of policy issues, quality and effectiveness of care and to combat fraud.

4. Identify with whom the agency will share the collected information.

MSIS data are shared within CMS to support other CMS activity. For example, the data are shared with the Office of Research, Development and Information (ORDI) for use in the construction of their State Medicaid Research files (SMRF) and their Medicaid Analytic Extract (MAX) files. ORDI reorients the MSIS data, which are based on date of payment adjudication, by

date of service. In doing so, ORDI constructs final action bills and inpatient stays for longitudinal research purposes.

Additionally, Medicaid enrollment information related to dual eligibles is shared internally with the Medicare Beneficiary Database and the National Medicare Utilization Database to gain information regarding this vulnerable population that utilize services in both programs.

MSIS data are also shared under rigorous Data Use agreements with contractors and researchers. The responsibility for releasing MSIS data outside of CMS is controlled by CMS staff responsible for the agency's data use policies and procedures to ensure the confidentiality of HCFA data and the privacy of the Medicare and Medicaid populations. This staff ensures the legality of releases of MSIS data to other Federal agencies, health care researchers, private entities, and others. They serve as the focal point for the receipt, analysis, and resolution of issues relating to requests for, and usage of, MSIS data. They process requests for, and authorize use of, MSIS data in accordance with Privacy Act requirements and CMS data use policies and procedures.

5. Describe how the information will be obtained, from whom it will be collected, what the suppliers of information and the subjects will be told about the information collection, and how this message will be conveyed to them (e.g., written notice, electronic notice if a web-based collection, etc.). Describe any opportunities for consent provided to individuals regarding what information is collected and how the information will be shared.

MSIS data are extracted from states' eligibility and MMIS claims processing systems. These data represent demographics, eligibility criteria, and payment history extracts for individuals for whom the state has determined eligible for Medicaid. Opportunities for consent to collect and use this information should be contained in the initial application process in each state. States are the covered health entities and CMS uses the data for federal oversight purposes.

6. State whether information will be collected from children under age 13 on the Internet and, if so, how parental or guardian approval will be obtained. (Reference: Children's Online Privacy Protection Act of 1998)

No information contained in MSIS is obtained via the Internet. All MSIS information is provided by states

7. Describe how the information will be secured.

MSIS data are maintained within the CMS Data Center and strict security is enforced under the umbrella security policy of CMS. Only those CMS personnel, and contractors working on approved CMS contracts, are permitted READ access to the granular MSIS data. Copies of MSIS data may be sent outside of CMS under strict Data Use agreements that stipulate limitations for use and the requirements for safeguarding information.

8. Describe plans for retention and destruction of data collected.

Generally, MSIS data are maintained in the granular database on a rolling basis for a period of five years. Tapes are generally maintained for a period of seven years, at which time they may be scratched and returned to stock.

9. Identify whether a system of records is being created under section 552a of Title 5, United States Code (the Privacy Act), or identify the existing Privacy Act system of records notice under which the records will be maintained.

Notice of this system, "Medicaid Statistical Information (MSIS) System, HHS/HCFA/BDMS, System No. 09-70-6001," was published in the *Federal Register* on Thursday, August 11, 1994 (59

Fed. Reg. 41327), an unnumbered routine use was added for the Social Security Administration (SSA) at 61 Fed. Reg. 6645 (Fed. 21, 1996), three new fraud and abuse routine uses were added at 63 Fed. Reg. 38414 (July 16, 1998), and then at Fed. Reg. 50552 (Aug. 18, 2000), two of the fraud and abuse routine uses were revised and a third deleted.

Endorse

_____/s/_____
J. Ned Burford
CMS Privacy Officer

Date __11/21/2003_____

Endorse

_____/s/_____
Timothy P. Love
Chief Information Officer

Date: 11/21/2003_____

Approve

_____/s/_____
Thomas A. Scully
CMS Administrator

Date: __11/21/2003__